REMARKS

Favorable reconsideration of this application, in light of the following discussion, is respectfully requested.

Claims 1-5, 8, 15-22, 29-43, and 50-64 are currently pending. No claims have been amended herewith.

In the outstanding Office Action, Claims 1-5, 8, 15-22, 29-43, and 50-64 were rejected under 35 U.S.C. § 103(a) as being unpatentable over U.S. Patent No. 7,177,427 to Komuro et al. (hereinafter "the '427 patent").

Applicants respectfully traverse the Official Notice on page 2 that is old and well known in the art that transport stream packets have 188 bytes and the source packet has an extra 4-byte header that includes copy permission information. Applicants request that the Examiner provide a reference to this effect.

Regarding the rejection of the claims under 35 U.S.C. § 103 as being unpatentable over the '427 patent, the present application and U.S. Patent No. 7,177,427 were, at the time the invention of the present application was made, owned by Sony Corporation. See Statement of Common Ownership. In particular, Applicants note that at the time the present invention was made, Sony Electronics, Inc. was 100% owned by Sony Corporation.

Moreover, Applicants note that since the present application claims domestic priority to Application 09/313,411, filed May 18, 1999, which is prior to the reference date of the '427 patent, the '427 patent qualifies as prior art only under 35 U.S.C. § 102(e). Accordingly, under 35 U.S.C. § 103(c), the '427 patent cannot be used in a rejection under 35 U.S.C. § 103(a) against the claims in the present application. See MPEP § 706.202(1)(2).

¹ Applicants note that the '427 patent is a continuation of application 08/957,051, which issued as U.S. Patent No. 6,223,285 on April 24, 2001. The '427 patent issued on February 13, 2007.

Accordingly, Applicants request that the rejection of the claims as being unpatentable over the '427 patent be withdrawn.

Thus, it is respectfully submitted that independent Claims 1, 8, 29, 35, 50, and 56 (and all associated dependent claims) patentably define over the '427 patent.

Consequently, in light of the above discussion, the outstanding grounds for rejection are believed to have been overcome. The present application is believed to be in condition for formal allowance. An early and favorable action to that effect is respectfully requested.

Respectfully submitted,

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